

Australian Government's economic response to the Coronavirus

JobKeeper Payments

31 March 2020

Introduction

The Government is introducing a subsidy program to support employees and businesses. The *JobKeeper Payment* is designed to help businesses affected by the Coronavirus to cover the costs of their employees' wages so that more employees can retain their job and continue to earn an income.

To be kept up to date on any developments, please register your interest at the [ATO website](#).

The JobKeeper Payment is a temporary scheme to support employers to maintain their connection to their employees.

The Government will provide \$1,500 per fortnight per employee for up to six months.

Information for employers

Eligibility

- J Their business' turnover of less than \$1b has been reduce by more than 30% compared to the same 1 month period a year ago; or
- J Their business' turnover of \$1b or more has been reduced by more than 50% compared to the same 1 month period a year ago; and
- J Their business is not subject to the Major Bank Levy.

Eligible employers electing to participate will need to apply to the Australian Taxation Office (ATO) with supporting information. They will then receive monthly payments for each eligible employee on their books at 1 March 2020, who continues to be employed by the business.

Employers are able to top-up the amount paid to their employees.

It will be up to the employer whether to pay superannuation on any additional wage paid through the JobKeeper Payment.

The subsidy will start on 30 March 2020 with first payments made in the first week of May.

To receive the JobKeeper Payment, employers must:

- J Register an intention on the ATO website
- J Provide information to the ATO on eligible employees
- J Ensure each eligible employee receives at least \$1,500 per fortnight (before tax).
- J Notify eligible employees that they are receiving the JobKeeper Payment.

If you have stood down employees, you will need to reinstate them.

Businesses without employees

The JobKeeper Payment will also be available to the self-employed. They will need to nominate an individual to receive the payment and provide monthly updates to the ATO.

- J Register your interest at the [ATO website](#).
- J Provide an ABN and nominate an individual to receive the payment.
- J Provide the TFN of nominated individual and a declaration as to recent business activity.
- J Provide a monthly update to the ATO to declare their continued eligibility for payments.

Information for employees

Eligibility

- J Currently employed by the eligible employer.
- J Were employed by the employer at 1 March 2020.
- J Are full-time, part-time or long-term casuals (regularly for 12 months or more at 1 March 2020).
- J At least 16 years of age.
- J Are either an Australian citizen, hold a permanent visa, a Protected Special Category Visa, a non-protected Special Category Visa who has been residing continually in Australia for 10 years or more, or a Special Category (Subclass 444) Visa.
- J Are not in receipt of a JobKeeper Payment from another employer.

Employees will receive a notification from their employer that they are receiving the JobKeeper Payment. The majority of employees need do nothing further.

Employees in the following circumstances will have additional obligations:

- J Employees with multiple employers to notify the employer that is their primary employer.
- J Employees who are not Australian citizens must notify their employer of their visa status.
- J Employees in receipt of an income support payment must notify Services Australia of their new income.

Full time and part time employees, including stood down employees, would be eligible. Where a casual employee has been with their employer for at least the previous 12 months, they will also be eligible.

Employees will receive, at a minimum, \$1,500 or more per fortnight, before tax, in a number of different ways:

-) If you ordinarily receive \$1,500 or more per fortnight before tax, this will continue with the JobKeeper Payment subsidising part or all of your income.
-) If you ordinarily receive less than \$1,500.
-) If you have been stood down.
-) If you were employed on 1 March 2020, subsequently ceased employment and then were re-engaged by the same eligible employer.

For further information, please contact us.